

**OKLAHOMA GAS & ELECTRIC**  
**McCLAIN FACILITY**  
**UIC CLASS I PERMIT RENEWAL APPLICATION**  
**ATTACHMENT F – FINANCIAL ASSURANCE**  
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## F.1 FINANCIAL ASSURANCE

According to ODEQ regulations, OG&E must submit evidence to the ODEQ Executive Director that it has sufficient financial resources to properly plug and abandon the injection well. These resources must be sufficient to close the well in a manner prescribed by the Director. The following sections provide information on the plugging and abandoning costs and the financial methods chosen by OG&E to comply with Environmental Protection Agency (EPA) and ODEQ regulations.

### F.1.1 Estimated Plugging Cost

A total estimated cost of **\$382,410** is calculated to cover the plugging and abandonment of the injection well. This estimate is based on the assumption that a balance plug method will be used to place the plugs and that a complete set of well logs and mechanical integrity tests will be conducted prior to plugging. The cost estimate for well plugging is provided below:

#### Well Plugging Cost Estimate

<b>Fixed Costs</b>	
Consultant Fees (\$2200/day at 15 Days)	\$33,000
Pre-closure and Post-closure Work	\$16,000
Rig Costs (\$7,500/day at 10 days)	\$75,000
Rig Mobilization/Demobilization	\$7,500
Rental Equipment	\$12,000
Rental Equipment Inspections/Repairs	\$6,000
Casing Inspection/Cement Bond Log	\$20,000
Cement & Pumping Charges	\$80,000
Miscellaneous Trucking	\$5,000
Mechanical Integrity Testing/Ambient Monitoring	\$24,000
Estimated Taxes	\$5,000
<b>Subtotal</b>	<b>\$283,500</b>
<b>Mark-up of 15% by consultant on all third-party work</b>	<b>\$35,175</b>
<b>Contingency (20%)</b>	<b>\$63,735</b>
<b>Total</b>	<b>\$382,410</b>

### **F.1.2 Financial Assurance**

The plugging and abandoning of the proposed injection well is being financially assured by OG&E. Since the injection well is owned and operated by OG&E, the company is assuming responsibility for the permanent closure of the well under 40 CFR 163. In satisfaction of its financial assurance obligations, OG&E has established Irrevocable Standby Letter of Credit No. SM211070W in the amount of \$362,714.22. A copy of the Irrevocable Standby Letter of Credit as well as the most recent amendment thereto dated November 8, 2022 are included.

Please note the OG&E are actively in the process of obtaining an updated amendment to the established Irrevocable Standby Letter of Credit No. SM211070W. This will be submitted to ODEQ once it becomes available.

# WACHOVIA

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER SM211070W

LETTER OF CREDIT AMOUNT	ISSUE DATE	EXPIRY DATE
USD 163,566.00	11/26/04	12/01/05

**BENEFICIARY:**

BANK OF OKLAHOMA  
9520 N MAY AVENUE  
SUITE 110  
OKLAHOMA CITY, OK 73120

**APPLICANT:**

OKLAHOMA GAS AND ELECTRIC COMPANY  
321 N. HARVEY  
OKLAHOMA CITY, OK 73102

We hereby establish our Irrevocable Standby Letter of Credit No. SM211070W in your favor, at the request and for the account of OG&E Electric Services., 321 N. Harvey, Oklahoma City, Oklahoma 73102, up to the aggregate amount of One Hundred Sixty-Three Thousand, Five-Hundred Sixty-Six U.S. dollars (\$163,566.00), available upon presentation of:

(1) Your sight draft, bearing reference to this Letter of Credit No. SM211070W, and

(2) Your signed statement reading as follows: "I certify that the amount of the draft is payable pursuant to regulations issued under authority of the Safe Drinking Water Act."

This letter of credit is effective as of 11/26/2004 and shall expire on 12/01/2005, but such expiration date shall be automatically extended for a period of 1 year on 12/01/2005 and on each successive expiration date, unless, at least 120 days before the current expiration date, we notify both you and OG&E Electric Services by certified mail that we have decided not to extend this letter of credit beyond the current expiration date. In the event you are so notified, any unused portion of the credit shall be available upon presentation of your sight draft for 120 days after the date of receipt by both you and OG&E Electric Services as shown on the signed return receipts.

Whenever this Letter of Credit is drawn on under and in compliance with the terms of this credit, we shall duly honor such draft upon presentation to us, and we shall deposit the amount of the draft directly into the standby trust fund of OG&E Electric Services in accordance with your instructions.

CONTINUED ON NEXT PAGE WHICH FORMS AN INTEGRAL PART OF THIS  
LETTER OF CREDIT


# WACHOVIA

IRREVOCABLE STANDBY LETTER OF CREDIT NO. SM211070W PAGE NO. 2 11/26/04

We certify that the wording of this letter of credit is identical to the wording specified in 40 CFR 144.70(d) as such regulations were constituted on the date shown immediately below.

EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, ESTABLISHED BY THE INTERNATIONAL CHAMBER OF COMMERCE, AS IN EFFECT ON THE DATE OF ISSUANCE OF THIS CREDIT.

SINCERELY,

  
AUTHORIZED SIGNATURE  
TITLE: Banking Officer

PLEASE DIRECT ANY CORRESPONDENCE INCLUDING DRAWING OR INQUIRY QUOTING OUR REFERENCE NUMBER TO:

WACHOVIA BANK, NATIONAL ASSOCIATION  
401 LINDEN STREET  
WINSTON-SALEM, NORTH CAROLINA 27101

OUR CUSTOMER CARE PHONE NUMBER FOR ANY QUERIES IS 800-776-3862  
OUR FAX NUMBER IS 336-735-0950

Wells Fargo Bank, N.A.  
U. S. Trade Services  
Standby Letters of Credit  
MAC D4004-012  
401 Linden Street, 1st Floor  
Winston-Salem, NC 27101  
Phone: 1(800) 776-5862 Option 2  
E-Mail: trade@standbys@wachovia.com

**Amendment To  
Irrevocable Standby Letter Of Credit**

**Number:** SM211070W  
**Amendment Number:** 11  
**Amend Date:** November 25, 2011

**BENEFICIARY**

BANK OF OKLAHOMA  
9520 N MAY AVENUE  
SUITE 110  
OKLAHOMA CITY, OKLAHOMA 73120

**APPLICANT**

OKLAHOMA GAS AND ELECTRIC COMPANY  
321 N. HARVEY  
OKLAHOMA CITY, OKLAHOMA 73102

LADIES AND GENTLEMEN:

AT THE REQUEST AND FOR THE ACCOUNT OF THE ABOVE REFERENCED APPLICANT, WE HEREBY AMEND OUR IRREVOCABLE STANDBY LETTER OF CREDIT (THE "WELLS CREDIT") IN YOUR FAVOR AS FOLLOWS:

EXPIRY DATE EXTENDED TO 12/01/2012, IN ACCORDANCE WITH THE AUTOMATIC EXTENSION PROVISION IN THE LETTER OF CREDIT, WHICH IS STILL IN FULL FORCE AND EFFECT.

THE AMOUNT OF THIS LETTER OF CREDIT IS INCREASED BY US \$36,698.78. THE CURRENT AVAILABLE AMOUNT OF THIS LETTER OF CREDIT NOW TOTALS US \$ 291,510.32.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS AMENDMENT IS TO BE ATTACHED TO THE ORIGINAL WELLS CREDIT AND IS AN INTEGRAL PART THEREOF.

Very Truly Yours,

**WELLS FARGO BANK, N.A.**

By:

*copy of the  
original instrument, issued by  
Wells Fargo Bank, N.A. on the  
date of the Authorized Signature*

***The original of the Letter of Credit contains an embossed seal over the Authorized Signature.***

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Please direct any written correspondence or inquiries regarding this Letter of Credit, always quoting our reference number, to **Wells Fargo Bank, National Association**, Attn: U.S. Standby Trade Services

at either One Front Street  
MAC A0195-212,  
San Francisco, CA 94111

or 401 Linden Street  
MAC D4004-017,  
Winston-Salem, NC 27101

Phone inquiries regarding this credit should be directed to our Standby Customer Connection Professionals

1-800-798-2815 Option 1  
(Hours of Operation: 8:00 a.m. PT to 5:00 p.m. PT)

1-800-776-3862 Option 2  
(Hours of Operation: 8:00 a.m. EST to 5:30 p.m. EST)



Wells Fargo Bank, N.A.  
U.S. Trade Services  
Standby Letters of Credit  
401 N. Research Pkwy, 1st Floor  
MAC D4004-017,  
Winston-Salem, NC 27101-4157  
Phone: 1(800) 776-3862 Option 2  
E-Mail: sbic-new@wellsfargo.com

## Amendment To Irrevocable Standby Letter Of Credit

Number : SM211070W  
Amendment Number : 023  
Amend Date : November 8, 2022

### BENEFICIARY

BANK OF OKLAHOMA  
ATTN: RACHEL REDD-SINGLETON  
CORPORATE TRUST GROUP  
499 WEST SHERIDAN, SUITE 2600  
OKLAHOMA CITY, OKLAHOMA 73102

### APPLICANT

OKLAHOMA GAS AND ELECTRIC COMPANY  
321 N. HARVEY  
OKLAHOMA CITY, OKLAHOMA 73102

LADIES AND GENTLEMEN:

AT THE REQUEST AND FOR THE ACCOUNT OF THE ABOVE REFERENCED APPLICANT, WE HEREBY AMEND OUR IRREVOCABLE STANDBY LETTER OF CREDIT (THE "WELLS CREDIT") IN YOUR FAVOR AS FOLLOWS:

THE CURRENT AVAILABLE AMOUNT IS INCREASED BY USD 5,254.66 TO USD 362,714.72 .

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

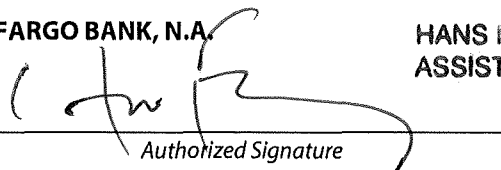
THIS AMENDMENT IS TO BE ATTACHED TO THE ORIGINAL WELLS CREDIT AND IS AN INTEGRAL PART THEREOF.

Very Truly Yours,

WELLS FARGO BANK, N.A.

HANS FORSBERG  
ASSISTANT VICE PRESIDENT

By:

  
Authorized Signature

**The original of this letter of credit amendment contains an embossed seal over the authorized signature.**

Please direct any written correspondence or inquiries regarding this Letter of Credit, always quoting our reference number, to **Wells Fargo Bank, National Association**, Attn: U.S. Standby Trade Services

at either 794 Davis Street, 2nd Floor  
MAC A0283-023,  
San Leandro, CA 94577-6922

or 401 N. Research Pkwy, 1st Floor  
MAC D4004-017,  
WINSTON-SALEM, NC 27101-4157

Phone inquiries regarding this credit should be directed to our Standby Customer Connection Professionals

1-800-776-3862 Option 2  
(Hours of Operation: 8:00 a.m. PT to 5:00 p.m. PT)

1-800-776-3862 Option 2  
(Hours of Operation: 8:00 a.m. EST to 5:00 p.m. EST)